

CONGRESSIONAL OVERSIGHT - CIA

A. GENERAL

CIA was established as part of the National Security Act of 1947. The Agency's enabling legislation, the Central Intelligence Agency Act of 1949, provided for the general administration of the Agency and exempted the Agency from normal reporting requirements which could compromise Agency security. On the basis of the provisions of this latter Act, the CIA appropriation is handled securely and the organization, its functions, and the names of its personnel are protected.

1. The Armed Services Committees (on the basis of jurisdiction over the legislation) and the Appropriations Committees (to approve funds) have exercised continuous legislative oversight.

(a) The Committee on Expenditures in the Executive Departments (now the Committee on Government Operations) actually held hearings and reported out the National Security Act of 1947 but under the new Legislative Reorganization Act the House Armed Services gained permanent jurisdiction.

(b) In the Senate the corresponding Committee on Expenditures challenged the referral of the National Security Act of 1947 to the Armed Services Committee, but it was defeated when the Senate upheld the ruling of the President pro tem.

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(c) From time to time the Government Operations Committees particularly on the House side have insisted on a right of congressional oversight of the economy and efficiency with which the Agency conducts its activities. Up to now the issue has not been joined, essentially as a result of our voluntary cooperation with their various investigations or informal handling between committees. Chairman Holifield has been generally supportive of the Agency position. Mr. Moorhead and Mr. Moss being most interested in asserting some type of jurisdiction.

(d) The Senate Foreign Relations Committee, over recent years has pressed to extend its jurisdiction over intelligence activities through the efforts to establish the overall authority abroad of State, which it oversees, and to include broad limitations on funding of programs principally administered by CIA.

B. CHRONOLOGICAL DEVELOPMENTS

1. 1947 through early 1950's - Oversight was benign.

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(a) Controlled by strongly entrenched congressional leadership and senior chairmen.

(b) Cold war psychology--rank and file not pre-disposed to interference.

(c) On the appropriation side, the basic concern was--do you have enough money?

2. Late 1950's

(a) Record of infrequent briefings of oversight committees leads to Senator Mansfield's initiative for Joint Committee (defeated in 1956 by vote of 59 to 27, with 12 original sponsors opposing the resolution).

(b) Sputnik era triggered wider congressional interest in Agency information on the Soviet threat. Agency initiated program of debriefing members of Congress who had travelled abroad, inviting them to visit Agency facilities and on occasion field installations.

3. Early 1960's

(a) The Agency furnished intelligence briefings to a number of committees including the Joint Committee on Atomic Energy on the Soviet nuclear energy program, and general intelligence briefings to House Foreign Affairs and

the Senate Foreign Relations Committee, Soviet space program briefings to the House Science and Astronautics Committee and Senate Aeronautical and Space Sciences Committee, and Soviet military posture briefings to the full Armed Services Committees and the Defense Subcommittee of House Appropriations.

(b) Pressure continued to grow for a Joint Intelligence Committee which spurred the CIA Subcommittee of House Armed Services to examine Agency activities rather intensively.

(c) Chairman Vinson appointed Representative Paul J. Kilday as Chairman of the CIA Subcommittee of House Armed Services with the mandate to give CIA more attention.

(d) The "Soviet Missile Gap" argument in the 1960 Presidential election spurred further interest in the Agency's intelligence product.

(e) The U-2 flight of Gary Powers over the Soviet Union and the Bay of Pigs invasion heightened congressional debate and the Cuban missile crisis of 1962 refocused attention on the Agency's capabilities.

(f) Reflecting Senator Russell's growing responsibilities for appropriations matters, sessions of the CIA Subcommittee

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of Senate Armed Services and Senate Appropriations were held in joint session. Even so by 1965 Agency briefings of these Subcommittees rose to 34 as contrasted with 9 the previous year.

4. Late 1960's

(a) In 1966, the Foreign Relations Committee reported a resolution to establish a Joint Committee on Intelligence with Senator Russell defeating the move by 61-29 on jurisdictional grounds.

(b) In 1967 the Agency undertook a programmed effort to contact and brief all new members of Congress on the Agency.

(c) 1967 was also the year of exposure of Agency funding of the National Student Association.

(d) In 1969 the Agency's intelligence product came to the front again on the ABM system leading to a closed session of the Senate to discuss the classified aspects of the subject including data provided by the Agency.

(e) Legislative initiatives were beginning to be proposed in an effort to circumscribe executive action through CIA principally in

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5. 1970's

(a) The congressional structure which has for a quarter of a century served to shield the Agency from intrusion or attack by the rank and file membership is in a state of flux. The Russell's and Rivers' are gone. McClellan is 78, Mahon is 74, and Stennis and Hebert are 73. Men down the seniority lists have become suspicious or jealous over the secretive manner in which the oversight responsibilities have been exercised and their ranks are being periodically reinforced by newly elected younger members. Many feel Agency information and Agency activities should be more broadly accessible to the Legislative Branch, and particularly to the Foreign Relations and Foreign Affairs Committees.

(b) In 1971, as a result of the limitation by the Democratic Caucus on subcommittee chairmanships and taking note of the writing on the wall, Chairman Hebert appointed Representative Lucien N. Nedzi (D., Mich.) as Chairman of a rejuvenated Intelligence Subcommittee of House Armed Services Committee. Nedzi has proved to

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be an invaluable ally in dealing with problems in the House because of his reputation for diligence, thoroughness, objectivity, and skepticism.

(c) In an analogous reaction to the changed political atmosphere in the Senate, both Chairmen Stennis and McClellan have changed earlier practices. Thus both now regularly take transcripts. Senator McClellan invited Senator Church to attend

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[redacted] (no leaks occurred) and Senator McClellan has offered any Senator the specifics of CIA's budget on a classified basis (Tab A).

(d) Many members while sharply critical of foreign and defense policy appear to have a high regard for the Agency's intelligence product, fearful only that the Agency's capabilities in the covert action field may be misused by an Administration. They are anxious to have a closer relationship with the Agency and thus more influence on its activities. Others are highly supportive in foreign and defense fields, but are anxious to avoid battle on issues such as the Agency's covert action authorities.

C. CURRENT CONGRESSIONAL OVERSIGHT PROCEDURES

1. Under existing guidelines so far supported by the chairmen of our oversight committees, Agency operational activities are reported solely to the four oversight committees.

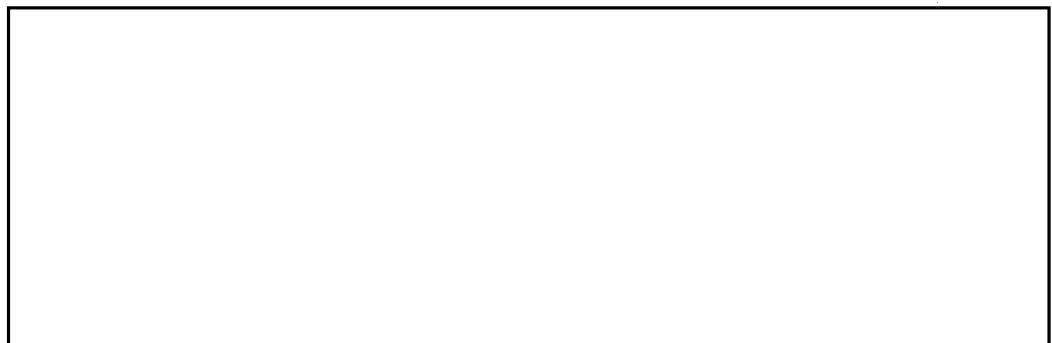
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2. Security Precautions: In formal sessions before these subcommittees, the following security procedures are followed:

- (a) Only selected staff members of the subcommittee (no personal staff of members) are permitted to attend.



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- (d) Under House rules all members are entitled access to all Committee records. (Tab B)

- (e) The membership of the four oversight Subcommittees are set forth in Tab C.

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Stennis had a reporter present who made a stenotape of the session, at the end of the hearing Stennis ordered that it not be transcribed and the stenotape is in the Agency's possession. Senator Stennis lamented the leak but was glad it did not occur on the Senate side--where he said the record is good, and it is--and agreed that the covert action capability is necessary and he had no problems with any of the current covert action programs.

(2) On 16 September 1974 the Director met with the Nedzi Subcommittee and reviewed current covert action programs. A reporter was present for a preliminary substantive intelligence briefing but was dismissed by Chairman Nedzi before the Director's briefing on covert action. All members except Messrs. Arends and Fisher were in attendance. Mr. Nedzi said that the Harrington matter is a matter for the Committee to investigate and they will be meeting with Harrington possibly later in the week.

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(3) Chairman Mahon has scheduled a briefing of the House Appropriations Subcommittee on 19 September 1974 to review the matter.

(4) The Senate Appropriations Subcommittee, in a joint session with the Senate Armed Services

Subcommittee, [REDACTED]

[REDACTED] The staff is reminding Chairman McClellan of this fact.

Except for the incident involving Mr. Harrington, the four Agency Subcommittees have had an outstanding record on the protection of covert operational information.

E. OPTIONS

Clearly the credibility of this Government in its ability to protect intelligence sources and methods is under suspicion as a result of the revelations concerning [REDACTED] (We have already received many inquiries from cooperative foreign intelligence services.)

(1) In light of the House rules, the most obvious protective device is that our Subcommittees not maintain records on covert operational information provided by the CIA. The Nedzi Subcommittee

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action on 16 September 1974 in dismissing the reporter was a result of an affirmative determination by the Committee in this regard. Senator Stennis' action on 12 September is of a like nature. The problem with this solution is that there is then no evidence of the information provided by the Agency, which makes it possible for the Committees to distance themselves from responsibility in the event serious issues arise in the future about the extent to which the Agency has kept its oversight committees informed.

(2) The overall arrangement could be made for the Committees to keep no transcripts or records but that CIA would keep them in a segregated collection. As directed by the four Chairmen, they could be made available under escort for examination but not copying. However practical, this might pose political and constitutional problems.

(3) The House rules could be changed to limit access to sensitive operational information to the Subcommittee and perhaps certain other designated members in leadership positions. This would not be likely to be accepted by the full House.

(4) Committee access to certain operational information having a substantial impact on the deliberations of the House Foreign Affairs Committee and the Senate Foreign Relations Committee could be expanded to those Committees, or selected subcommittees thereof, on the premise that such information would be handled with wisdom and restraint. The increase in the exposure possibility from such a course of action is clear. (Letter from Representative Fascell to

Chairman Morgan, Tab G.)

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(5) A Joint Committee on Intelligence might be established with members from Appropriations, Armed Services, Foreign Affairs and Government Operations, with a separate staff. The resolution establishing it should clearly state that it will have access to all information but that no information about intelligence sources and methods will be made available to other committees or Members without a specific congressional resolution.

(6) All of the above, of course, would have to be worked out with the appropriate leadership and, in addition, the President might want to consult the leadership as to other alternatives.

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On 4 June 1974 the Senate by a vote of 55 to 33 defeated an amendment to the Defense Procurement Authorization bill (S. 3000) which would have required the Director of Central Intelligence to submit an annual unclassified report to the Congress disclosing the total amount of funds requested in the budget for the National Intelligence Program.

A number of Senators, including the Chairman of the Agency's Oversight Committees in the Senate, strongly opposed the amendment on the basis that such disclosures would provide valuable assistance to our adversaries by virtue of the trends disclosed over the years and that the publication of the total figure would only stimulate further inquiry for greater detail on foreign intelligence activities, for explanations of changes or trends, and for the component elements of the total figure.

They also pointed out that the four committees charged with oversight of the Agency in the Congress are fully aware of the details of the foreign intelligence budget and inquire into these matters deeply. The point was also made that if any member of the Senate wished to know what the total figure was it would be furnished to him on a classified basis.

The discussion on the amendment is covered on pages S. 9601-9613 in the Congressional Record of 4 June 1974. Excerpts follow:

Senator Stennis: ". . .

True, we are an open society and, so far, we have been able to carry on an intelligence program effectively which has been worth to us billions and billions and billions of dollars in savings. But, if we are going to abandon the idea of keeping these figures from being disclosed, then, in my humble opinion, we might as well abolish the agency. It would be like saying, in effect, that we do not want this secret intelligence after all, that we do not need it, and that we will abandon it.

We will pay an awful price for that. I am familiar with the CIA budget. I can satisfy most any Senator in the cloakroom, talking to him some about this, but I will publicly say that it is a clean budget and they have justified many times over the expenditure of the money. "

Senator Pastore: ". . . We have to know what they are doing. So we can know what we have to do in order to guarantee the security of our own country.

So we cannot come out here and tell the whole world, "We spent \$1 billion or \$2 billion for the Central Intelligence Agency." What does that mean to anyone else, except that perhaps some people think they are spending too much. And the minute the question is asked where they are spending it we are in serious trouble.

So what happens to your children and my children, Mr. President? What happens to you when you go home tonight? What happens tomorrow? What happens to the security of our country? Can we afford to tell them? Oh yes, I would like to tell the public everything it is possible to tell them. I believe in that. I have been in public life continually for 40 years. I believe in the right of the public to know. But I certainly would not come to the floor of the Senate and tell you, Mr. President, how to put together an atom bomb. I would not tell you that. I would not tell you how far our nuclear subs are able to travel; I would not tell you how we can detect an enemy sub; and I would not tell you how they might detect ours. I would not tell you that. Why would I not tell you that? I would not tell you that because the minute I told you that I would jeopardize the future of your children.

. . .

I have sat down with the Senator from Wisconsin (Mr. PROxmRE), the Senator from California (Mr. CRANSTON), to find a solution, and I have sat down with Mr. Colby, who is a great American. He said, "Please do not do this. If you want to make my job easier, please do not do this." I cannot sit there after that admonition and exhortation and turn around and say, "Mr. Colby, I do not believe what you have to say." If I believed that for 1 minute, I would say, "You ought to give up your job." . . . "

Senator Humphrey:

Mr. President, I rise to commend the Senator from Rhode Island and to associate myself fully with his comments. The Senator pointed out very properly that the Central Intelligence Agency has in the past engaged in activities that have been looked upon by certain Members of the Congress as undesirable; but I want to make it clear that every one of those activities had been ordered by a President. The Central Intelligence Agency does not just engage in activities for the love of work. I know that the Central Intelligence Agency, during the Kennedy years and the Johnson years, was engaged in activities in Laos—

. . .

Mr. President, the Central Intelligence Agency is possibly the most important agency in this Government. By and large, it is made up of people who are competent, able, and who have served this country well and faithfully. To be sure, there are times when it has engaged in activities, as we have said, that are looked upon with suspicion; but I think it would be folly for us to publicize all of its activities, to publicize the amounts it receives, particularly when there are ways and means within this body and within the other body of Congress to supervise it and to keep a check rein upon it.

. . .

I had the privilege of serving on the National Security Council, and I want to tell my colleagues that the Central Intelligence Agency was the most accurate and effective instrument of Government for that council. Its reports were most accurate, and had we followed the advice of the Central Intelligence Agency in many areas, we would have been better off, but at least it was there.

. . .

But just as surely as we are in this body today debating whether or not we ought to have a release of the figure, next year it will be whether it is too big or too little, and then it will be what is in it. Then when we start to say what is in it, we are going to have to expose exactly what we have been doing in order to gain information; for example, years ago as to where the Soviet Union was building its nuclear subs and the kind of nuclear subs they were. I saw that material in 1965—how far they were along, what their scientific progress was. I do not think it would serve the public interest for all of that information to have been laid out. It would have destroyed our intelligence gathering completely. . . .

Senator McClellan: ". . .

But, let us bear in mind that if we are to have a security intelligence agency, we cannot have it with national publicity on what it does, how it does it, and how much it spends here, or how much it spends there. . . ."

Senator Stennis: ". . .

On my responsibility to my colleagues, they in CIA keep a clean house. They have had a conservative operation dollar-wise and have accounted for the money in a splendid way. That has been true without exception. There has been no great spillage of money or great extravagances, and not one bit of scandal or odor of any kind. . . ."

Senator Thurmond: ". . .

I believe that our Nation is unique in the attention its legislature has given to specifying and circumscribing the activities of the agency designated to perform its foreign intelligence mission. . . ."

Senator Proxmire: ". . .

Mr. President, the purpose of the amendment which I am offering now is to provide that the overall figure for the intelligence community as a whole, not broken down but the overall figure, would be made available, so that the taxpayers of this country would have some idea of how much, how many billions of dollars—and it is billions of dollars—are going for intelligence efforts by our Government.

. . . .
Now just what would this tell our adversaries? They would not know if it all went to the CIA, or DIA. Whether the NSA spent most of the money, or the Air Force.

How about yearly fluctuations? Say for example, that the budget went up 10 percent in 1 year. What would they conclude? That manpower was more expensive? That the CIA was spending more for Laos? That the DIA had bought a new computer division? That NSA was hiring more people? They would know nothing. . . ."

Senator Hughes: ". . .

The threat will come from losing control on the inside. If maintaining that control requires an ounce of risk, then I think we should be prepared to take that ounce of risk in at least letting us see publicly and the people see publicly whether we are spending \$3 billion, \$7 billion, or \$90 billion, and how we are concealing it and hiding it, and if we are protecting ourselves from the inside as well as from the outside.

I think that ounce of risk, if it exists, is worth taking, and I thank the distinguished Senator from Wisconsin for yielding. . . ."

Senator Jackson: ". . .

In summary, our foreign intelligence service arises out of an act of Congress and all of its activities are closely scrutinized by a number of representative members of both the Senate and the House of Representatives. This is how we have resolved the balance between the needs of an open society and the needs for a secret foreign intelligence service. I certainly do not think that this is the time to unbalance the situation as I am confident enactment of the proposed amendment would do.

Senator Young: ". . .

I know there is great interest in the public knowing everything possible, but I think there are some things that should be kept secret for our own security. "

B

RULES OF THE HOUSE OF REPRESENTATIVES

§ 735.

Rule XL

record vote is demanded. The result of each rollcall vote in any meeting of any committee shall be made available by that committee for inspection by the public at reasonable times in the offices of that committee. Information so available for public inspection shall include a description of the amendment, motion, order, or other proposition and the name of each Member voting for and each Member voting against such amendment, motion, order, or proposition, and whether by proxy or in person, and the names of those Members present but not voting. With respect to each record vote by any committee on each motion to report any bill or resolution of a public character, the total number of votes cast for, and the total number of votes cast against, the reporting of such bill or resolution shall be included in the committee report.

The first part of this paragraph was derived from Sec. 133(b) of the Legislative Reorganization Act of 1946 (60 Stat. 812) and made part of the standing rules on January 3, 1953, p. 24. The requirements that committee roll calls be subject to public inspection and that the committee report on a public bill or resolution include the vote thereon, were added by Sec. 104(b) of the Legislative Reorganization Act of 1970 (84 Stat. 1140) and made a part of the rules on January 22, 1971, p. —, H. Res. 5.

Rule XI
27c (c) All committee hearings, records, data, charts, and files shall be kept separate and distinct from the congressional office records of the Member serving as chairman of the committee; and such records shall be the property of the House and all Members of the House shall have access to such records. Each com-

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RULES OF THE HOUSE OF REPRESENTATIVES

Rule XI.

§ 735.

mittee is authorized to have printed and bound testimony and other data presented at hearings held by the committee.

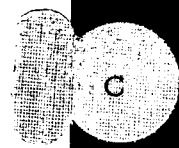
This provision from Sec. 202 (d) of the Legislative Reorganization Act of 1946 (60 Stat. 812) was made a part of the standing rules January 3, 1953, p. 24.

(d)(1) It shall be the duty of the chairman of each committee to report or cause to be reported promptly to the House any measure approved by his committee and to take or cause to be taken necessary steps to bring the matter to a vote.

(2) In any event, the report of any committee on a measure which has been approved by the committee shall be filed within seven calendar days (exclusive of days on which the House is not in session) after the day on which there has been filed with the clerk of the committee a written request, signed by a majority of the members of the committee, for the reporting of that measure. Upon the filing of any such request, the clerk of the committee shall transmit immediately to the chairman of the committee notice of the filing of that request. This subparagraph does not apply to a report of the Committee on Rules with respect to the rules, joint rules, or order of business of the House or to the reporting of a resolution of inquiry addressed to the head of an executive department.

(3) If, at the time of approval of any measure or matter by any committee (except the Committee on Rules) any member of the committee, gives notice of

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September 1974

CIA SUBCOMMITTEES

SENATE APPROPRIATIONS

INTELLIGENCE OPERATIONS

John L. McClellan (D., Ark.), Chairman	
John C. Stennis (D., Miss.)	Milton R. Young (R., N. Dak.)
John O. Pastore (D., R.I.)	Roman L. Hruska (R., Nebr.)

SENATE ARMED SERVICES

CIA SUBCOMMITTEE

John C. Stennis (D., Miss.), Chairman	
Stuart Symington (D., Mo.)	Peter H. Dominick (R., Colo.)
Henry M. Jackson (D., Wash.)	Strom Thurmond (R., S. C.)

HOUSE ARMED SERVICES

SPECIAL SUBCOMMITTEE ON INTELLIGENCE

Lucien N. Nedzi (D., Mich.), Chairman	
F. Edward Hebert (D., La.)	William G. Bray (R., Ind.)
Melvin Price (D., Ill.)	Leslie Arends (R., Ill.)
O. C. Fisher (D., Texas)	Bob Wilson (R., Calif.)

HOUSE APPROPRIATIONS

"SPECIAL GROUP"

George H. Mahon (D., Texas), Chairman	
Jamie L. Whitten (D., Miss.)	William E. Minshall (R., Ohio)
Robert L. F. Sikes (D., Fla.)	Elford A. Cederberg (R., Mich)

D

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TASS Reports Colby Testimony on CIA actions in Chile

L231442 Moscow TASS in English 1350 GMT 23 Oct 73 L

(TEXT) WASHINGTON OCTOBER 23 TASS--FRESH FACTS HAVE BEEN LEARNED HERE ABOUT THE SUBVERSIVE ACTIVITY OF THE USA CENTRAL INTELLIGENCE AGENCY AGAINST SALVADOR ALLENDE'S POPULAR UNITY GOVERNMENT PRIOR TO SEPTEMBER ELEVENTH. THESE FACTS ARE CONTAINED IN THE TRANSCRIPT OF SECRET TESTIMONIES BY CIA DIRECTOR WILLIAM COLBY AND CIA SENIOR STAFF-MEMBER F. DAVIS AT THE INTER-AMERICAN AFFAIRS SUBCOMMITTEE OF THE HOUSE OF REPRESENTATIVES. A SUMMARY OF THE TESTIMONIES WAS PUBLISHED BY THE "WASHINGTON POST."

THE TESTIMONY OF THE CIA LEADERS SHOWS THAT THE DEPARTMENT CARRIED ON LARGE-SCALE SECRET INTERVENTION IN THE INNER-POLITICAL AND ECONOMIC AFFAIRS OF CHILE. THIS ACTIVITY, THE NEWSPAPER SAID, INCLUDED INFILTRATION INTO ALL PRINCIPAL POLITICAL PARTIES, SUPPORT OF ANTI-GOVERNMENTAL DEMONSTRATIONS AND ALIGNMENTS, SUBSIDIES FOR OPPOSITION PRESS ORGANS.

THE UNITED STATES, THE WASHINGTON POST GOES ON TO SAY, REFUSED CREDITS TO THE ALLENDE GOVERNMENT TO WRECK THE CHILEAN ECONOMY AND ALSO OBSTRUCTED THE GRANTING OF LOANS TO CHILE BY INTERNATIONAL FINANCIAL AGENCIES. THE ONLY EXCEPTION WAS MADE FOR THE SALE ON CREDIT OF AMERICAN WEAPONS TO THE CHILEAN ARMED FORCES. THUS, THE UNITED STATES SOUGHT TO SPEED UP THE ECONOMIC CRISIS IN THE COUNTRY AND TO ENCOURAGE INTERNAL OPPOSITION TO THE POPULAR UNITY GOVERNMENT.

THE TESTIMONY OF THE CIA DIRECTOR AND OTHER INFORMATION SHOW THAT THE UNITED STATES MAINTAINED CLOSE CONTACTS WITH THE CHILEAN MILITARY THROUGHOUT THE PERIOD FOLLOWING ALLENDE'S ELECTORAL VICTORY, THE NEWSPAPER SAYS.

THE WASHINGTON POST ADDS THAT THE CIA ALLOCATED 400,000 DOLLARS FOR SUPPORTING PRESS ORGANS OPPOSING ALLENDE ON THE EVE OF THE PRESIDENTIAL ELECTIONS.

23 OCT 1755Z JB/GS

The View From Langley

By Tad Szulc

Szulc is a Washington writer and a former foreign correspondent. His latest book is "Compulsive Spy: The Strange Career of E. Howard Hunt."

WAS THE United States, through the Central Intelligence Agency or otherwise, directly involved in the events that led to the bloody coup d'état in Chile last Sept. 11?

Actual involvement in the military revolution that ousted the late President Salvador Allende Gossens, a Socialist, has been roundly denied by the Nixon administration and the CIA in particular. But given the CIA's track record in overthrowing or attempting to overthrow foreign governments—Iran, Guatemala, the Bay of Pigs, Laos and so on—deep suspicions have persisted that the agency, operating under White House directives, has been much more than an innocent observer of the Chilean scene since Allende's election in 1970.

Ten days ago, the CIA rather surprisingly if most reluctantly, went quite a way to confirm many of these suspicions. It did so in secret testimony on Oct. 11 before the House Subcommittee on Inter-American Affairs by its director, William E. Colby, and Frederick Dixon Davis, a senior official in the agency's Office of Current Intelligence. The transcript of the testimony was made available to this writer by sources in the intelligence community.

This extensive testimony touches principally on the CIA's own and very extensive covert role in Chilean politics, but it also helps in understanding and reconstructing the administration's basic policy of bringing about Allende's fall one way or another.

We are apprised not only that the CIA's estimate of the number of victims of the military government's repression is four times the official Santiago figures but that the United States, in effect, condones mass executions and

WASHINGTON POST
21 OCT 1973

war there remains "a real possibility." Yet, even Colby warned that the junta may "overdo" repression.

Colby's and Davis' testimony, in parts unclear and contradictory, offered a picture of the CIA's activities in Chile between Allende's election in 1970 and the Sept. 11 coup ranging from the "penetration" of all the major Chilean political parties, support for anti-regime demonstrations and financing of the opposition press and other groups to heretofore unsuspected Agency involvement in financial negotiations between Washington and Santiago in last 1972 and early 1973 when the Chileans were desperately seeking an accommodation.

There are indications that the CIA, acting on the basis of its own reports on the "deterioration" of the Chilean economic situation, was among the agencies counseling the White House to rebuff Allende's attempts to work out a settlement on the compensations to be paid for nationalized American property and a renegotiation of Chile's \$1.7 billion debt to the United States.

A No-Help Policy

ACTUALLY, the basic U.S. posture toward Allende was set forth by Henry A. Kissinger, then the White House special assistant for national security affairs, at a background briefing for the press in Chicago on Sept. 16, 1970, 12 days after Allende won a plurality in the elections and awaited a run-off vote in Congress. Kissinger said then that if Allende were confirmed, a Communist regime would emerge in Chile and that Argentina, Bolivia and Peru might follow this example.

For the next three years, the U.S. policy developed along two principal lines. One was the denial of all credits to the Allende government—Washington even blocked loans by international institutions—to aggravate Chile's economic situation when Allende himself was bogging down in vast mismanagement of his own. The other line was the supportive CIA activity to accelerate the economic crisis and thereby encourage domestic opposition to Allende's Marxist Popular Unity government coalition.

The only exception to the ban on credits was the sale of military equipment to the Chilean armed forces—including the decision last June 5 to sell Chile F-5E jet fighter planes—presumably to signal United States support for the military. Colby's testimony as well as other information showed that the United States had maintained close contacts with the Chilean military after Allende's election.

The Nixon administration's firm re-

fusal to help Chile, even on humanitarian grounds, was emphasized about a week before the military coup when it turned down Santiago's request for credits to buy 300,000 tons of wheat here at a time when the Chileans had run out of foreign currency and bread shortages were developing.

On Oct. 5, however, the new military junta was granted \$24.5 million in wheat credits after the White House overruled State Department objections. The department's Bureau of Inter-American Affairs reportedly believed that such a gesture was premature and could be politically embarrassing.

An "Unfortunate" Coup

PARADOXICALLY, Washington had not hoped for the kind of bloody military takeover that occurred on Sept. 11. For political reasons, it preferred a gradual destruction from within of the Chilean economy so that the Allende regime would collapse of its own weight. The CIA's role, it appeared, was to help quicken this process.

Under questioning by Rep. Michael J. Harrington (D-Mass.), Colby thus testified that the CIA's "appreciation" of the Chilean economy was that "it was on a declining plane on the economic ground in terms of internal economic problems—inflation, with 320 per cent inflation in one year, the closure of the copper mines, and so forth, your total foreign deficit was more than the need for it. They couldn't import the food because their deficit was such that over the long term they had no base for it." Elsewhere in his testimony, Colby said that the CIA reported "accurately an overall assessment of deterioration" and that with the Chilean navy pushing for a coup, it was only a question of time before it came.

But Colby also told the subcommittee that "our assessment was it might be unfortunate if a coup took place. The National Security Council policy was that it is consistent with the feeling it is not in the United States interest to promote it." He made this comment after Rep. Charles W. Whalen (R-Ohio) asked Colby whether he agreed with earlier testimony by Jack Kubisch, the assistant secretary of state for Inter-American affairs, that the administration believed that "it would be adverse to our own United States interest if the government of Chile were overthrown."

This theme was further developed in testimony on Oct. 8 from Richard A. Fagen, professor of political science at Stanford University, and Sen. J. William Fulbright, chairman of the Senate Foreign Relations Committee, reporting on a meeting between Kubisch and a group

The Economic Role

ONE OF THE MOST intriguing disclosures made by Colby in his testimony was that the CIA is actively engaged in economic negotiations between the United States and foreign countries. This has not been generally known here, but Colby told the subcommittee that "we would normally contribute to (a) negotiating team."

He said that "we would try to provide them intelligence as backdrop for their negotiations and sometimes help them with appreciation of the problem . . . We follow the day-to-day progress in negotiations. If it's an important economic negotiation, like (Treasury) Secretary Shultz over in Nairobi and places like that, we would be informed of what they are doing and try to help them."

In the context of the Chilean-American negotiations before the coup, the CIA's Davis said that "we did have some quite reliable reporting at the time indicating that the Russians were advising Allende to put his relations with the United States in order, if not to settle compensation, at least to reach some sort of accommodation which would ease the strain between the two countries. There were reports indicating that, unlike the Cubans, they were in effect trying to move Allende toward a compromise agreement . . . It was our judgment that the [Chileans] were interested in working out some kind of *modus vivendi* without, however, retreating substantially from their position."

Davis added that "our intelligence requirement in the negotiations between the United States and Chile would be to try to find out, through our sources, what their reactions to a negotiating session were, what their reading of our position was, what their assessment of the state of negotiations is."

In his narration of the events leading to the coup, Colby said that "under the general deterioration, it was only a matter of getting the Army, the Navy and the Air Force to cover it. Eventually they did get them all in." Colby then compared the Chilean coup to the 1967 Indonesian revolution, reputedly assisted by the CIA, when the army ousted President Sukarno. He said the CIA shared the suspicions of the Chilean military that Allende was planning a coup of his own on Sept. 19 to neutralize the armed forces, but said the CIA had no firm information confirming these suspicions.

"Concern Over Security"

THROUGHOUT his testimony, Colby drew a grim picture of the junta's repression and, in effect, predicted that it would worsen even more because of the continued strength of the Chilean left. His estimates of the death toll were roughly four times the figures announced by the junta and he told the subcommittee that the Chilean military had a list of the "most wanted" Allende followers whom they hoped to find and possibly execute.

"Communist Party chief Luis Corvalan is being or will be tried for treason. He may well be sentenced to death regardless of the effect on international opinion," Colby said. This information led to this exchange:

WHALEN: You mentioned those being accused of treason. Did these allegedly treasonable activities occur after the takeover by the military?

COLBY: I think what I referred to was the head of the Communist Party who would probably be tried for treason.

He would probably be tried for treason. He would probably be tried for activities prior to the takeover. You can have some question as to how valid that is in a constitutional legal sense. There have been some who have been accused of it since the takeover.

WHALEN: That confuses me. If he is tried for treason against a government [he] supported, I cannot understand that.

COLBY: You are right.

This was Colby's assessment of the present situation:

"Armed opposition now appears to be confined to sporadic, isolated attacks on security forces, but the regime believes that the left is regrouping for coordinated sabotage and guerrilla activity. The government probably is right in believing that its opponents have not been fully neutralized. Our reports indicate that the extremist movement of the Revolutionary Left believes its assets have not been damaged beyond repair. It wants to launch anti-government activity as soon as practical and is working to form a united front of leftist opposition parties. Other leftist groups, including the Communist and Socialist parties, are in disarray, but they have not been destroyed. Exiled supporters of the ousted government are organizing abroad, namely in Rome."

Colby told the subcommittee that "concern over security undoubtedly is what accounts for the junta's continued use of harsh measures to deal with

the dissidents. The military leaders apparently are willing to alienate some support at home and endure a bad press abroad, in order to consolidate their hold on the country and finish the job of rooting out Marxist influence."

Chance of "Civil War"

DESCRIBING the present situation, Colby said:

"Armed resisters continue to be executed where they are found, and a number of prisoners have been shot, supposedly while 'trying to escape.' Such deaths probably number 200 or more. Several thousand people remain under arrest, including high-ranking officials of the Allende government."

Answering questions, Colby agreed that the CIA's figure of more than 200 executions was higher than the junta's official estimate. He added that "there were a couple thousand, at least, killed during the fighting which surrounded the coup. It is quite possible that if you went to a city morgue you would find that number. The official figure of total killed is 476 civilians and 57 troops to a total of 513. We would guess, we would estimate, it is between 2,000 and 3,000 killed during the struggles. That would not be in my classification as execution. Some of those were shot down. There is no question about that. They are not just bystanders . . ."

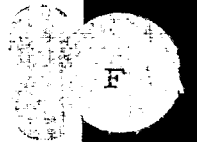
Colby disagreed, however, with Rep. Robert H. Steele (R-Conn.) that the junta's killings have "done no one any good."

"I think our appreciation is that it does them some good. The junta's concern is whether they could take this action of taking over the government and not generate a real civil war, which was the real chance because the Allende supporters were fairly activist. There were armies in the country. There was at least a good chance of a real civil war occurring as a result of this coup," Colby said.

Asked whether civil war remained a possibility, Colby replied that "it was. It's obviously declining, but it was a real possibility. Yes, I think it is a real possibility. Whether it's a certainty or not is not at all sure."



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DATE	COMMITTEE	MEMBERS	SUBJECT
April 1964	House & Senate Appropriations	Chairmen	[REDACTED]
May 1964	House & Senate Appropriations	Chairmen	
19 May 1964	CIA Subcommittees Senate Appropriations & Armed Services	Russell Saltonstall Hayden Stennis Young	
July 1964	House & Senate Appropriations	Chairmen	
August 1964	House & Senate Appropriations	Chairmen	
25 March 1965	CIA Subcommittees Senate Appropriations & Armed Services	Stennis Saltonstall Young	
25 March 1965	CIA Subcommittee of House Armed Services	Rivers Philbin Hebert Price Hardy Bennett Bates Arends O'Konski Bray	

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DATE	COMMITTEE	MEMBERS	SUBJECT
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15 April 1965	CIA Subcommittee of House Appropriations	Mahon Bow Lipscomb	
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11 August 1965	Special Group, House Appropriations Committee	Mahon Andrews Lipscomb Bow	
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14 September 1965	CIA Subcommittees of Senate Appropriations and Armed Services	Russell Stennis Hayden Young	
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21 September 1966	CIA Subcommittees of Senate Appropriations and Armed Services	Russell Symington Stennis Saltonstall Young Smith	
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September 1968	House & Senate Appropriations	Chairmen	
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13 October 1970	CIA Subcommittee of House Appropriations	Mahon Andrews Bow Minshall	
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No briefing on covert action. Intelligence briefing

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DATE	COMMITTEE	MEMBERS	SUBJECT
November 1970	House & Senate Appropriations	Chairmen	
19 November 1970	Defense Subcommittee, Senate Appropriations	Ellender Stennis Pastore Mansfield Young Smith Allott Hruska Symington Jackson Thurmond	
11 June 1971	Intelligence Operations Sub-Committee of Senate Appropriations	Ellender Stennis Young	
3 February 1972	Defense Subcommittee, House Appropriations	Mahon Sikes Whitten Flood Addabbo McFall Minshall Rhodes Davis Wyman	
May 1972	House & Senate Appropriations	Chairmen	

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DATE	COMMITTEE	MEMBERS	SUBJECT
January 1973	House & Senate Appropriations	Chairmen	<div style="border: 1px solid black; width: 100%; height: 100%;"></div>
16 January 1973	Defense, Military Construction Subcommittees, House Appropriations	Mahon Sikes Whitten Flood Addabbo McFall Flynt Minshall Rhodes Davis Wyman Patten Long Hansen McKay Cederberg	
13 March 1973	CIA Subcommittees of Senate Armed Services and Appropriations	McCléllan Pastore Hruska Symington Jackson Thurmond	
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13 March 1973	Same	McClellan Hruska Symington Church (invitee)	<div style="border: 1px solid black; width: 100%; height: 100%;"></div>

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DATE	COMMITTEE	MEMBERS	25X1 SUBJECT
March 1974	Subcommittee on Multinational Corporations, Senate Foreign Relations Committee	Church Fulbright Symington Aiken Case Percy	

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DATE	COMMITTEE	MEMBERS	SUBJECT
11 October 1973	Intelligence Operations of Senate Appropriations	McClellan Young	25X1 [REDACTED]
11 October 1973	Inter-American Affairs Subcommittee of House Foreign Affairs	Fascell Rosenthal Harrington Steele Whalen	25X1 [REDACTED]
16 October 1973	Special Group of House Appropriations	Mahon Whitten Sikes Minshall Cederberg	25X1 [REDACTED]
26 November 1973	Subcommittee on Western Hemisphere Affairs of Senate Foreign Relations Committee	McGee Sparkman Muskie Aiken Case Scott Pearson	25X1 [REDACTED]
22 April 1974	Subcommittee on Intelligence of House Armed Services	Nedzi	25X1 [REDACTED]

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